



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
LANSING

MARIANNE UDOW
DIRECTOR

February 6, 2007

The Honorable Bill Hardiman, Chair
Senate Appropriations Subcommittee on DHS
Michigan State Senate
Lansing, Michigan 48933

The Honorable Dudley Spade, Chair
House Appropriations Subcommittee on DHS
Michigan House of Representatives
Lansing, Michigan 48933

Dear Senator Hardiman and Representative Spade:

Section 1005 of Article 10, 2006 PA 345, outlines the characteristics of a performance based licensing system to be developed in fiscal years 2006-2007 by the Department of Human Services Office of Children and Adult Licensing (OCAL) and requires DHS to submit a report to the Senate and House appropriation subcommittees, the Senate and House fiscal agencies and the state budget director on the implementation of that licensing system.

OCAL is currently mandated by licensing statutes to conduct annual onsite licensing inspections of all licensed child care organizations and follow a schedule for renewal inspections of most adult care facilities. These statutes do not permit OCAL to forgo onsite inspections for licensees who have been in business for five years or more with no violations or filed complaints as is called for by the language of section 1005.

During 2006, however, OCAL engaged a work group to begin evaluating the licensing inspection process. This work group has proposed a licensing inspection model that will both strengthen and streamline current processes without placing residents at risk.

OCAL will make focused inspections of licensees determined to be in substantial compliance with applicable rules while spending more time with those licensees with a history of rule violations. It is estimated that two years will be needed to implement and fully evaluate these changes.

If you have any questions please call John Sorbet, chief administrative officer, at 517-373-7787.

Sincerely,

A handwritten signature in cursive script, appearing to read "Marianne Udow".

Marianne Udow

C: Senate and House Appropriations Subcommittee on DHS
Senate and House Fiscal Agencies
Senate and House Policy Offices
State Budget Office